

# Uranium industry bounces back

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Uranium mining operations in western Colorado and in Utah are under way again, boosting hopes for a resurgence in the area's economy.

Niels Haubold, manager of mines for UMETCO, a wholly owned subsidiary of Union Carbide, said the

company is operating the Sunday Mine in San Miguel County with about 20 miners and the King Solomon Mine in the West End of Montrose County with about seven miners.

In addition, the company also has restarted operations at a uranium mine near La Sal, Utah, Haubold said. The company also is operating several small mines on a con-

tract basis, he said.

In all, Haubold said, more than 40 people are back on the payroll in Colorado.

UMETCO maintains a regional office in Grand Junction.

UMETCO started operations anew last March with the intention of running the mines only temporarily, but it now appears that the

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mines will remain open indefinitely, he said.

"It's a good sign that things are going to start to pick back up again," Dan Noble, president of San Miguel Basin State Bank in Norwood, said of the rejuvenated uranium mining business.

Haubold said the uranium being mined in western Colorado and eastern Utah is being refined at the White Mesa Mill in Blanding, Utah, and then is being sold to utilities. The federal government is purchasing no uranium, he said.

Currently, uranium is being sold for \$16.65 a pound, well below the 1979 price of \$43 a pound, Haubold said, calling the uranium price "equivalent to an oil price of \$10 a barrel."

After a boom in uranium in the

late 1970s, demand and prices dropped in 1980 and UMETCO closed its area uranium mining operations in 1983.

"In March, we cranked them back up again," expecting to operate the mines only until about October, Haubold said.

Instead, the company now does not expect to have to close the mines.

Haubold said that in addition to its mining operations, UMETCO made some uranium purchases this year and that it expects to continue making uranium purchases in 1988.

In addition to a rejuvenated uranium business, Noble said the area is also hoping for coal and lime contracts for the Nucla power plant, whose fluidized bed process of burning coal to generate electricity is being tested now.